

DEPARTMENT OF THE ARMY
TULSA DISTRICT, CORPS OF ENGINEERS
1645 SOUTH 101ST EAST AVENUE
TULSA, OKLAHOMA 74128-4609

NOTICE OF LEASING GOVERNMENT
OWNED REAL PROPERTY
FOR GRAZING PURPOSES
HULAH LAKE
CHAUTAUQUA, KANSAS

NOTICE OF LEASING NO. DACW56-9-07-00199

Sealed offers subject to the terms and conditions set forth herein, for the leasing of property of the United States listed in the notice, will be received until the time, date, and at the place indicated below:

SEALED OFFERS ARE TO BE MARKED AND ADDRESSED AS FOLLOWS:

<u>RETURN ADDRESS:</u> (Name & address of Responder)	<u>TO:</u> A & G LEASE OFFER Copan/Hulah Lake Project Office ATTN: Tim Rasmussen 396120 ST. 10 HWY Copan, OK 74022-4120
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PROPERTY LOCATION: Hulah Lake, Kansas

TIME OF PRE-OPENING CONFERENCE: 10:00 a.m., Friday, April 13, 2007

TIME OF OPENING: 10:30 a.m., Friday, April 13, 2007

PLACE OF OPENING: Copan Lake Project Office, 396120 ST. 10 HWY, Copan, OK 74022.

OFFER DEPOSIT: 25 percent of the annual amount offered

ISSUED BY: Department of the Army, Tulsa District, Corps of Engineers

POINT OF CONTACT:

Copan Lake Office	Tim Rasmussen	(918) 532-4334
Army Corps of Engineers:	Michael S. Love, Sr.	(918) 669-7691

AUTHORITY: The authority for granting these leases is Title 10, U.S.C., Section 2667. The successful respondent will be required to enter into a lease with the United States, a copy of which is attached hereto. The lease will be subject to any existing easements for electric power transmission lines, telephone or telegraph lines, water, gas, gasoline, oil, or sewer pipelines, or other facilities located on the property covered by said lease.

TERM: The term of the proposed lease is **four (4) years, eight (8) months**, beginning **May 1, 2007 and ending December 31, 2011**. **The lease may be renewed for an additional 5 year term at the discretion of the Government, but revocable at will by the Secretary of the Army.**

LEASE PROPERTY:

a. Detailed **maps** of the lease areas may be obtained from the Copan Lake Office during **regular business hours**.

b. The description of the property and the attached are believed to be correct, but any error or omission in the description of the property or on the map shall not constitute any ground or reason for nonperformance of the provisions and conditions of the lease or claim by the lessee for any refund or deduction from rental.

SERVICES: The lessee may, at the discretion of the Chief of Real Estate, be authorized to perform services in lieu of cash rental. Services may include, but are not limited to: erosion control; wildlife food plots; fire guards; mowing; brush hogging; over-seeding pastures with legumes or small grain; applying fertilizer; and/or construction of fences; etc. Services in lieu of cash rental must be agreed to in advance and documented in a Supplemental Agreement signed by all parties. Services approved and performed in lieu of cash rentals must be completed and accepted by the Government prior to December 1 each year of the current lease. In the event of lease termination, the Lessee shall not be reimbursed for services performed in advance of the year in which termination occurs.

FARM ASSISTANCE PROGRAM: Approval through the Tulsa District, Corps of Engineers must be obtained prior to signing lease area up under any Farm Assistance Program. If lessee is 30 or more days **past due** on all or part of their lease **rental and/or required services**, they will be ineligible to participate in federal financial assistance through the Farm Bill Program.

CASH RENT OFFERS: Cash rent must be in whole dollars. Any offer submitted in an amount other than in whole dollars will be rounded down to the nearest whole dollar. **No cash offer will be accepted which is less than \$375, unless abatement services are required in the lease.**

INSTRUCTIONS TO RESPONDENTS

1. OFFERS SUBJECT TO THESE TERMS. All offers submitted shall be deemed to have been made with full knowledge of all the terms herein contained. Responders are expected to inspect the property and form their own conclusions as to its suitability for the stated purposes. Failure to make such inspection will not constitute grounds for any claim for adjustment or for the withdrawal of the offer after the time of opening Offers. The property is now subject to inspection by prospective responders. The Government makes no guaranty or warranty, either expressed or implied, with respect to the property.

2. OFFER FORMAT. Offers must be submitted in the attached format, which is provided, on pages 7 and 8. **For the offer to be valid, a complete Request for Grantee Social Security Number and/or Taxpayer ID Number form on page 9 must be included with your offer.** The Corps of Engineers requires each person doing business with the agency to furnish such person's taxpayer identification number. This information is mandatory under the Debt Collection Improvement Act of 1996, Public Law 104-134, April 26, 1996, 110 Stat 1321-358. The agency intent is to use such number for purpose of collecting and reporting on any delinquent amounts arising out of such person's relationship with the Government. **Failure to provide accurate information may result in your lease request being denied.**

3. EXECUTION OF OFFERS. Each offer must give the full address of the responder and be signed with the responder's usual signature. Any additional sheets shall be identified with the responder's name. An offer executed by an agent on behalf of the responder shall be accompanied by an authenticated copy of the Power of Attorney, or other evidence of authority. If the responder is a corporation, the Certificate of Corporate Responder must be executed. If the offer is signed by the secretary of the corporation, the Certificate must be executed by another officer of the corporation. In lieu of the Certificate, records of the corporation which show the authority of the officer signing, and which the secretary or assistant secretary, under the corporate seal, certifies to be true copies must be attached.

4. DEPOSIT REQUIRED. No offer will be considered without a deposit approximately equal to and not less than twenty-five (25) percent of the annual rental offered, to guarantee that the responder will enter into a written lease and pay the balance of the rental due within thirty (30) days after receipt of written notice of acceptance of his/her offer and a draft of lease for execution. Such guarantee must be in the form of a money order or check, payable to the "FAO, USAED, TULSA". The deposits of unsuccessful responders will be returned as promptly as possible after rejection. However, in the event of default by any responder, that responder's deposit may be applied by the Government to any Government loss, cost and expense occasioned thereby, including any incurred in leasing the property and any difference between the rental for another lease, if the latter amount is less. The responder is liable for the full amount of damages sustained by the Government because of his/her default; such liability is not limited to the amount of the responder's deposit.

6. LATE OFFERS, MODIFICATION OR WITHDRAWAL OF OFFERS. The person whose duty it is to open the offers will decide when withdrawals of an offer will be considered. Offers may be modified or withdrawn only by written or telegraphic requests received from responders prior to the time fixed for opening. Negligence in preparing the offer confers no right to withdraw the offer after it has been opened. Offers, modifications, or withdrawals received after the time fixed for opening and before award is made will be considered if sent by registered mail not later than the 7th calendar day prior to the date specified for receipt of offers or if sent by mail (telegram if authorized) and it is determined by the Government that the late receipt was due solely to mishandling by the Government after receipt at the Government installation.

7. OPENING OF OFFERS. At the time fixed for the opening, offer contents will be made public. Any information submitted in support of the offer will, upon request, be held in strict confidence by the United States, if disclosure might tend to subject the responder to a competitive business disadvantage.

8. AWARD OF LEASE. The lease will be awarded to the highest responder who is responsive to this Notice, provided that the responder is responsible, the offer is reasonable, and it is in the interest of the United States to accept it.

9. PROCEDURE FOR AWARD.

a. Following the public opening, the Government may require any responder to furnish additional evidence of financial condition, ability to assume the obligations and responsibilities imposed by the lease, and other information the Government considers desirable. Failure to submit this information in 30 days or such other reasonable time as the Chief of Real Estate specifies may be the basis for rejecting the offer.

b. The lease will be awarded to the responder who offers the highest fixed annual rental and whom the Chief of Real Estate determines to be fully qualified financially, by experience, character and otherwise to furnish the facilities and services determined to be necessary to adequately serve the public demand at the proposed site.

10. ACCEPTANCE OF OFFERS. All offers will remain open for acceptance or rejection for 30 days from the date of opening. Notice of award will be given as soon as practicable to the successful responder personally, to a duly authorized representative, or in writing to the responder at the address indicated in the offer.

11. DISPUTES. Except as otherwise provided in this Notice, any dispute concerning a question of fact arising under this Notice which is not disposed of by agreement shall be decided by the District Commander or his/her duly authorized representative who shall mail or otherwise furnish a written copy of the decision to the responder. The decision of the District Commander shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the responder mails or otherwise furnishes to the District Commander a written appeal addressed to the Secretary of the Army. The decision of the Secretary, or his/her duly authorized representative for the determination of such appeals, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this condition, the responder shall be afforded an opportunity to be

heard and to offer evidence in support of appeal. Pending final decision of a dispute hereunder, the responder shall proceed diligently with the performance of the contract and in accordance with the District Commander's decision. This condition does not preclude consideration of questions of law provided that nothing in this condition shall be construed as making final the decision of an administrative official, representative, or board on a question of law.

12. REJECTION OF OFFERS. The right is reserved, as the interests of the Government may require, to reject at any time any and all offers, to waive any informality in offers received, and to accept or reject any items of any offer unless such offer is qualified by specific limitation.

13. DEFAULT. In the event that the successful responder fails to enter into a lease within thirty (30) days after receipt of Government notification that his/her offer has been accepted and receipt of a draft lease for execution, or in the event that the successful responder fails to otherwise comply with the terms of this Notice, the Government may declare the responder in default and retain the deposit as liquidated damages.

14. ADDITIONAL INFORMATION. Any additional information may be obtained from the Copan Lake Office, or the District Office of the Corps of Engineers, at the phone numbers indicated above.

DESCRIPTION OF AREAS

HULAH LAKE

Area 39 and 42: (Grazing) This area contains approximately 302 acres, more or less, located in Sections 12 and 13, T35S, R10E and Section 18, T35S, R11E Chautauqua County, Kansas, as shown on the maps attached hereto, marked Exhibit A.

LAND USE REGULATIONS FOR GRAZING HULAH LAKE AREAS 39 and 42

1. **Pasture**: In order to reduce soil erosion, improve grass species, and maintain a reasonable amount of cover for wildlife on the lease are, vegetative height requirements must be observed. Failure to comply with these requirements may be cause for revocation of the lease. In order to maintain the desired cover during periods of extreme weather conditions, the lessee may be required to remove all or part of the livestock from the area.

2. **Vegetative Height Requirements**: Vegetative heights for grass in open pasture areas must be maintained as follows:

- a. Introduced grasses – 4 inch height (minimum in any area).
- b. Native grasses – 6 inch height (minimum in any area).

3. **Grazing Schedule**: Grazing will be allowed for 12 months per year.

4. **Stocking Rates**: The stocking rate list as follows:

AREA 39 - A maximum of **3** animal units per year.

AREA 42 - A maximum of **9** animal units per year.

Animal units are defined as follows:

Cow and unweaned calf	1.0 AU
Weaned calf to yearling (400 to 700 lbs.)	0.5 AU
Steer, heifer or bull, 1-2 years old (over 700 lbs.)	1.0 AU
Mare and unweaned colt	1.0 AU
Weaned Colt	0.5 AU
Adult horse	1.0 AU

5. **Pesticides**: The term “pesticide” means (1) any substance or mixture of substances intended for preventing, destroying, repelling, and pest and/or (2) any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant. This term includes but is not limited to fungicides, herbicides, insecticides, larvicides, rodenticides, and adjunct or mixtures of the same materials.

6. **Cultural Resources Requirements**: All agricultural and grazing activities will utilize existing land improvements, including roads, paths, fences, ponds, clearings, fields, firebreaks, etc. The lessee shall not construct new land improvements or improve existing land improvements without submitting a formal written request to the Tulsa District Operations Division. Requests for improvements will follow Tulsa District’s standard outgrant approval process. Formal approval will be required prior to the commencement of any improvement activities.

7. **Fencing**: All fences will need to be maintained in accordance with specifications marked **Exhibit B**. Materials will be supplied by the Corps as supplies permit.

A & G LEASE OFFER
HULAH LAKE
NOTICE OF LEASING NO. DACA56-9-07-00199

TO: A & G LEASE OFFER
Copan/Hulah Lake Project Office
ATTN: Tim Rasmussen
396120 ST. 10 HWY
Copan, OK 74022-4120

This offer is subject to all conditions and requirements in your Notice. I agree to enter into a written lease within 30 days of notice of acceptance. Enclosed is my offer deposit in the form of a check or money order made payable to the "**FAO, USAED, TULSA**" for one-fourth (1/4) of my annual offer or more. Note, rent must be offered in whole dollars.

<u>AREA(s)</u>	<u>ANNUAL RENTAL OFFER</u>	<u>OFFER DEPOSIT ENCLOSED</u>
AREA 39 and 42	\$ _____	\$ _____

NOTE: SERVICES STATED IN THE NOTICE ARE REQUIRED IN ADDITION TO THE CASH RENT OFFERED. The annual rent will be due and payable on or before December 31 each year during the term of the lease.

Full Name: _____

Address: _____ Telephone: _____
(Street, Rural Route, P. O. Box, etc.) (w/ area code)

(City, State) Zip Code: _____

Social Security No.: _____ - _____ - _____

Signature: _____ Date: _____

RESPONDER REPRESENTS: (Check appropriate box)

That he/she operates as:

___ an individual only

___ joint tenancy as husband and wife with right of survivorship

___ an individual doing business as

___ a partnership consisting of

___ a corporation, incorporated in the state of

___ a trustee acting for

CORPORATE CERTIFICATE

I, _____, certify that I am the _____
(Name) (Title)

of the _____ named as responder herein; that
(Corporation Name)

_____, who signed this offer on behalf of said
(Name of Officer)

_____, was then _____, of the
(Corporation Name) (Officer Title)

Corporation; that said instrument was duly signed for and on behalf of the

_____, by authority of its governing body and is within the
(Corporation Name)

scope of its corporate powers.

Signed, _____.

Secretary or Attesting Officer

(The person that signed the attached instrument cannot sign Certificate)

(AFFIX CORPORATE SEAL)

This form certifies that the person signing the attached instrument has the authority to do so. The signature of the Secretary/Attesting Officer and Individual signing the attached instrument cannot be the same.

**REQUEST FOR GRANTEE
SOCIAL SECURITY NUMBER AND/OR TAXPAYER IDENTIFICATION NUMBER**

Nature of Outgrant: Notice of Leasing – Grazing
(EASEMENT, LEASE, LICENSE, PERMIT, RIGHT OF WAY, ETC.)

Number of Outgrant: DACW56-9-07-000199

Name of Grantee: _____
(PRINT NAME)

Address of Grantee: _____

Grantee's Social Security Number: _____

Grantee's Taxpayer Identification Number: _____

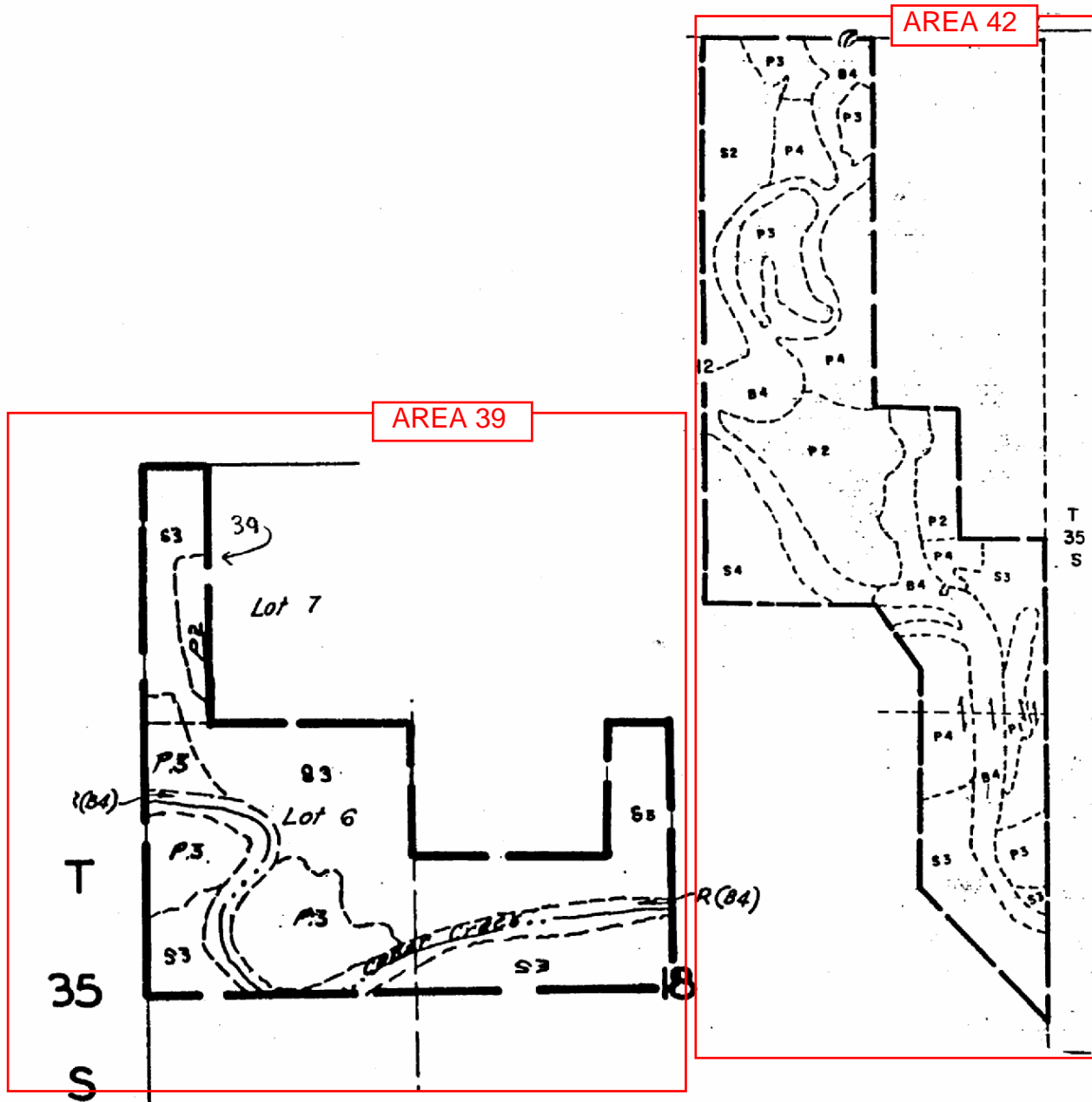
SIGNATURE

DATE

PRIVACY ACT STATEMENT

Purpose of Form: This information is mandatory under the Debt Collection Improvement Act of 1996, Public Law 104-134, April 26, 1996, 110 Stat 1321-358. The head of each Federal Agency must require each person doing business with that agency to furnish to that agency such person's taxpayer identification number. The agency intent is to use such number for purposes of collecting and reporting on any delinquent amounts arising out of such person's relationship with the Government. OMB Circular A-129, App. A, part V, and DOD Financial Regulation 7000.14-R, Vol. 4, chapter 3, states that any close-out of accounts receivable procedures will include reporting the close-out amount on IRS Form 1099-C. IRS Form 1099-C is an income form which requires a taxpayer identification number and means that the agency will report the uncollectible debt to IRS as income to the person who failed to pay the uncollectible debt owed to the agency under the outgrant. The 1099-C reports the uncollectible debt as income to the debtor, which may be taxable at the debtor's current tax rate. Failure to provide this information may result in your outgrant request being denied.

U.S. Army Corps of Engineers, Tulsa District



SECTIONS 12 & 13, T35S, R10E-AREA 39
 SECTION 18, T35S, R11E - AREA 42
 CHAUTAUQUA COUNTY
 STATE OF KANSAS
 CONTAINING 302.0 ACRES, MORE OR LESS
 NOTICE OF LEASING DACW56-9-07-00199

PROJECT/INSTALLATION: HULAH LAKE

AREAS 39 & 42

U.S. ARMY CORPS OF ENGINEERS
 TULSA DISTRICT

FENCING SPECIFICATIONS

INSTALLATION

1. Fence Location. All boundary fences shall be offset approximately 1 foot onto Government property and shall become the property of the U.S. Government.

2. Setting Post. All wooden posts shall be set with the large end down in true line on the side to which wire is to be attached. Posts shall be imbedded in the ground to the depth shown on the drawings and shall be well tamped and firmly set. End, corner, and gate posts shall be set in concrete as indicated in the drawings. Posts and brace panels shall be securely braced, as indicated on the drawings, by a timber brace gained into the post and securely spiked. Double No. 9 gauge wire shall be twisted taut between pole in accordance with drawings. Line posts shall be set not more than 16 feet center to center. Metal and wood posts shall be set as shown on the drawings.

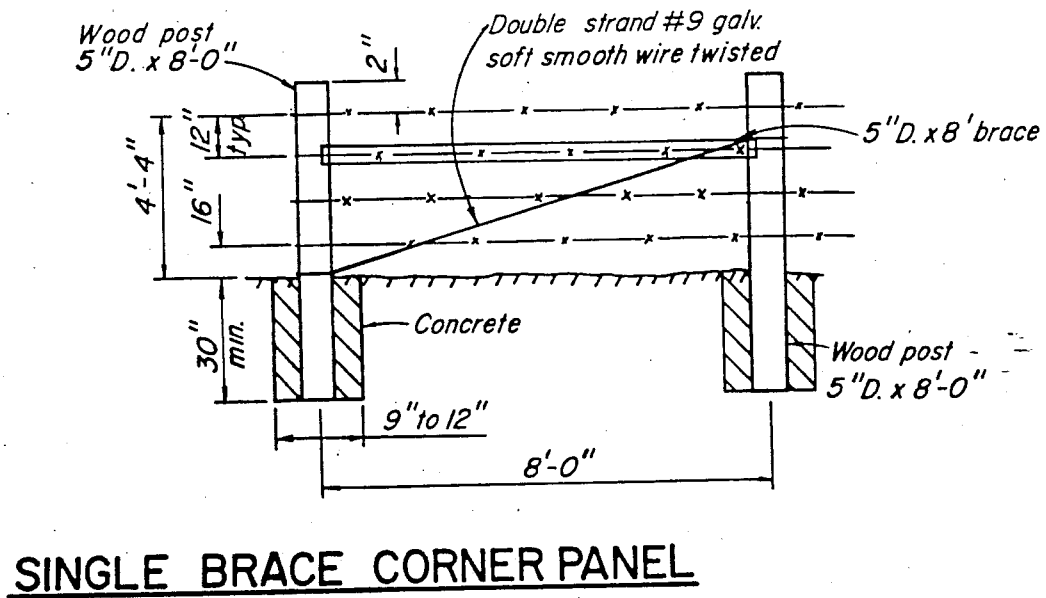
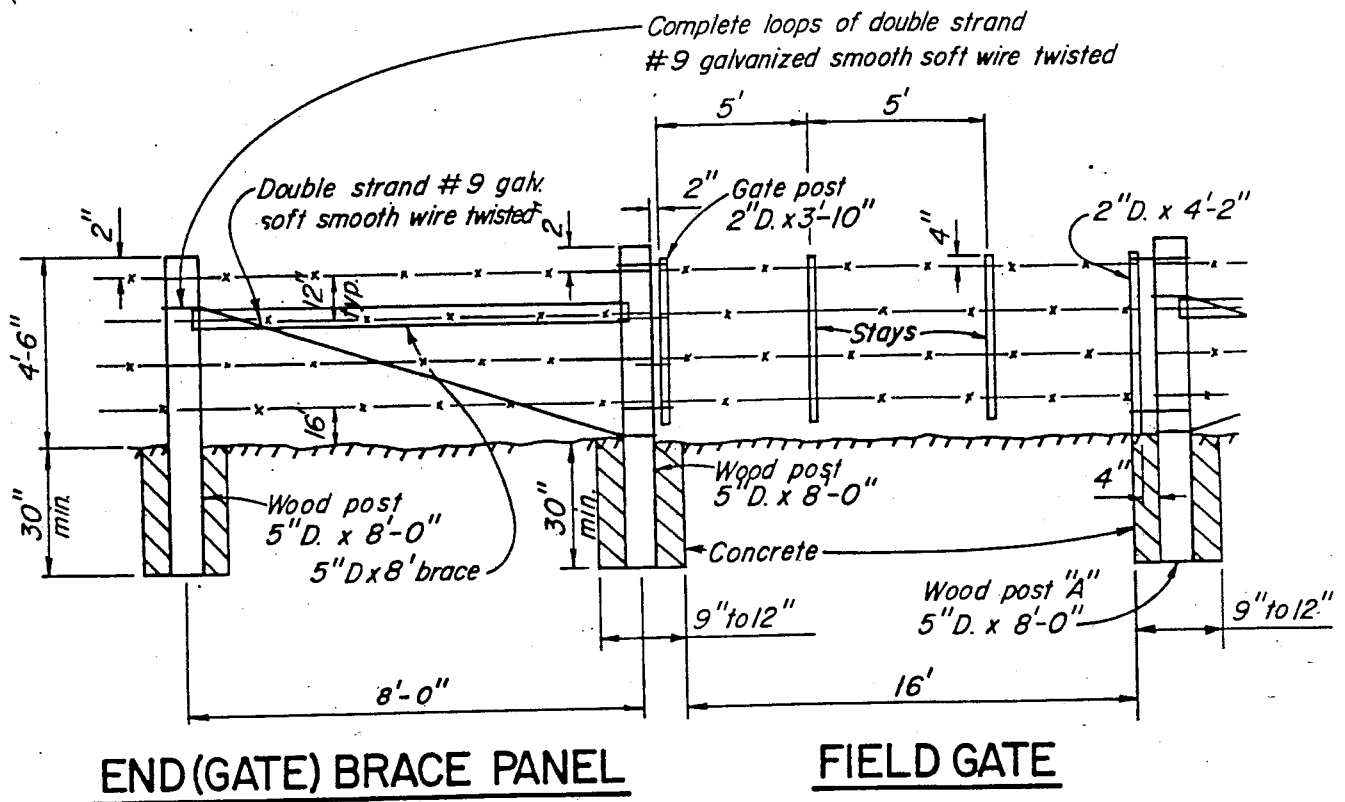
3. Stretching Barbed Wire. Barbed wire shall be stretched uniformly tight, spaced as indicated on the drawings, and attached to the wooden post with one staple, except the top wire, which shall be double stapled. Staples shall be set diagonally with the wood grain and driven tight. Standard wire fasteners will be used to attach the wire to all steel posts. Wire shall be made by the side of the post away from the area inclosed. Splices shall be made by bolt clamp of an approved type or a wire splice made in the following manner: the ends of the wire shall be carried three (3) inches past the splicing tools and wrapped around both wires backward from the tool for at least five (5) turns and, after the tool is removed, the space occupied by it shall be closed by pulling the ends together. Intermediate stay wires shall be installed where indicated on the drawings.

4. Intermediate brace panels shall be located at any major division in horizontal or vertical alignment or on straight runs over $\frac{1}{4}$ mile (1,320') in length.

5. Fence measurement shall be made by the total linear feet of fence installed.

6. Materials List.

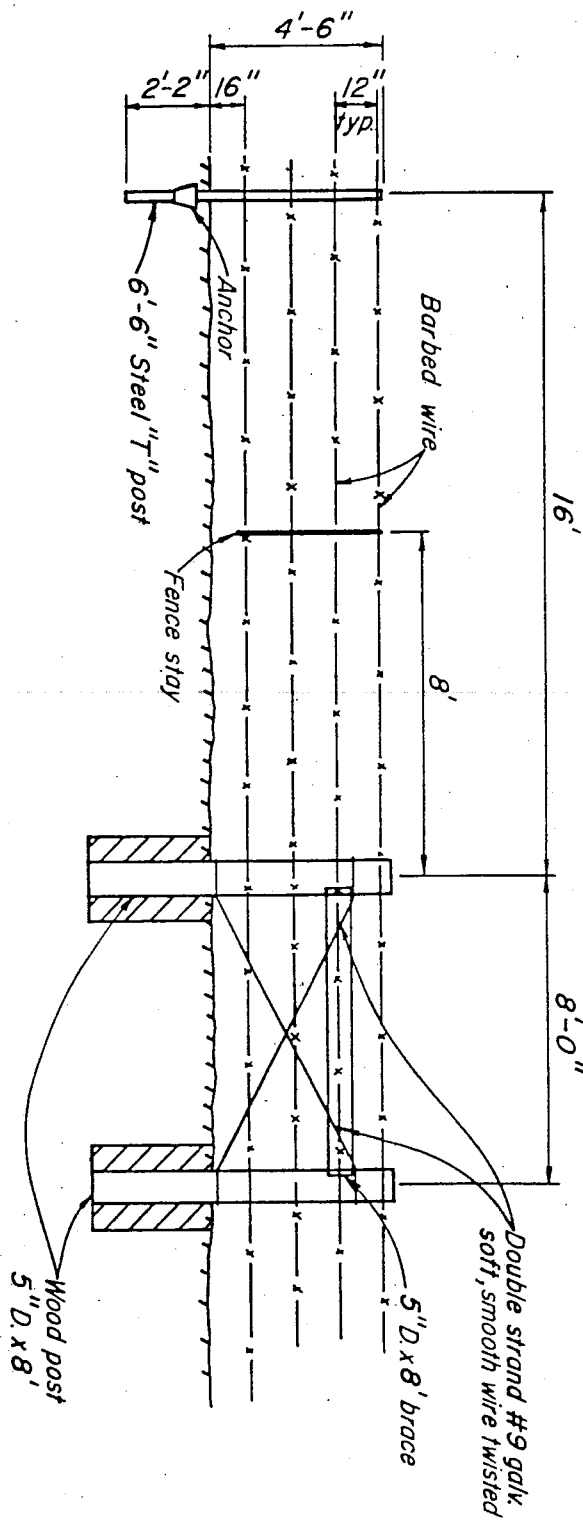
- a. Barbed Wire, 4 pt, 12 $\frac{1}{2}$ gauge
- b. Steel "T" Post (6 $\frac{1}{2}$ ft)
- c. Fasteners
- d. Wire Stays
- e. Wooden Post (5" Dia x 8 ft)
- f. Staples, 1 $\frac{1}{4}$ inch, 9 gauge
- g. Nails
- h. Smooth Wire, 9 gauge soft wire

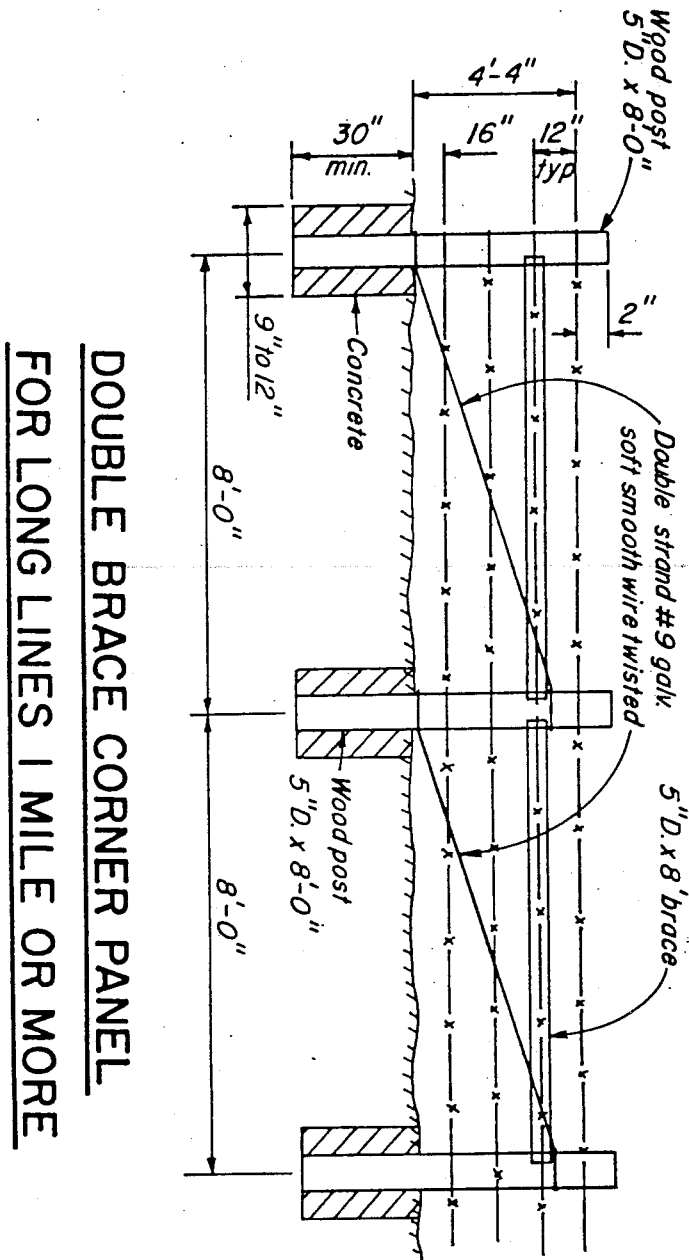


LINE PANEL

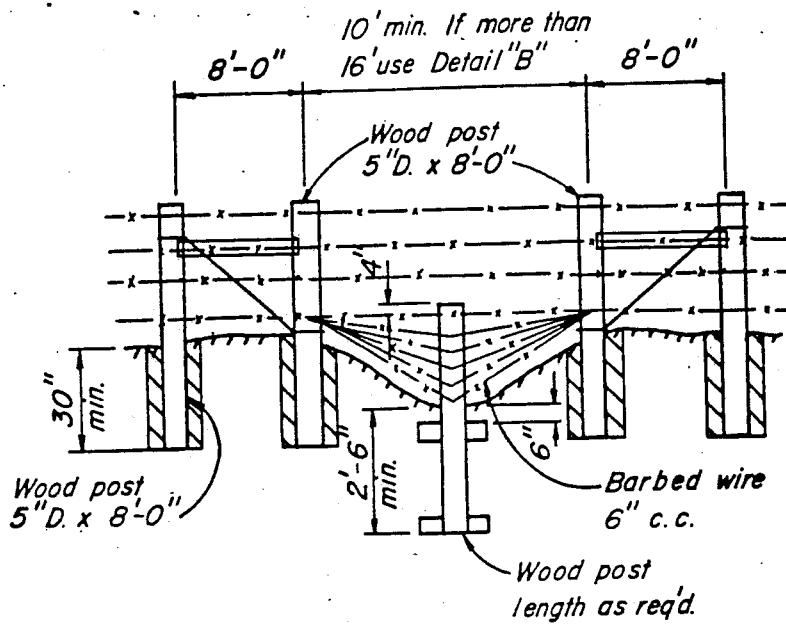
INTERMEDIATE BRACE PANELS

(1320' INTERVALS)

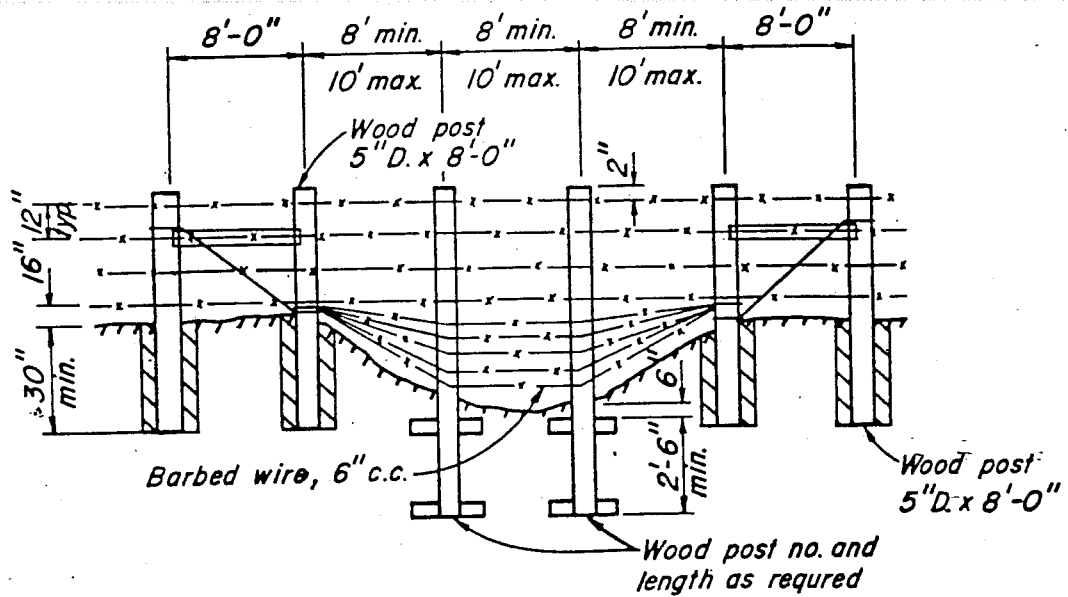




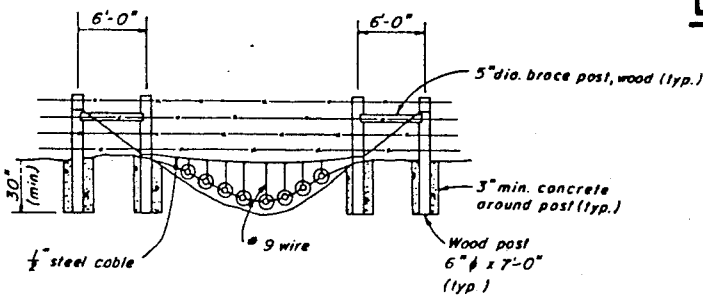
DOUBLE BRACE CORNER PANEL
FOR LONG LINES 1 MILE OR MORE



DETAIL "A"



DETAIL "B"



NOTES:

1. Suspend cable 5' above stream bed.
2. Suspend tires to a distance of 6" above stream bed
3. Use wire to secure end tires to brace posts.
4. Use wire to secure tires together.

SPECIFICATIONS – Steel Pipe Cattle Guard

Stringers – 5" Used

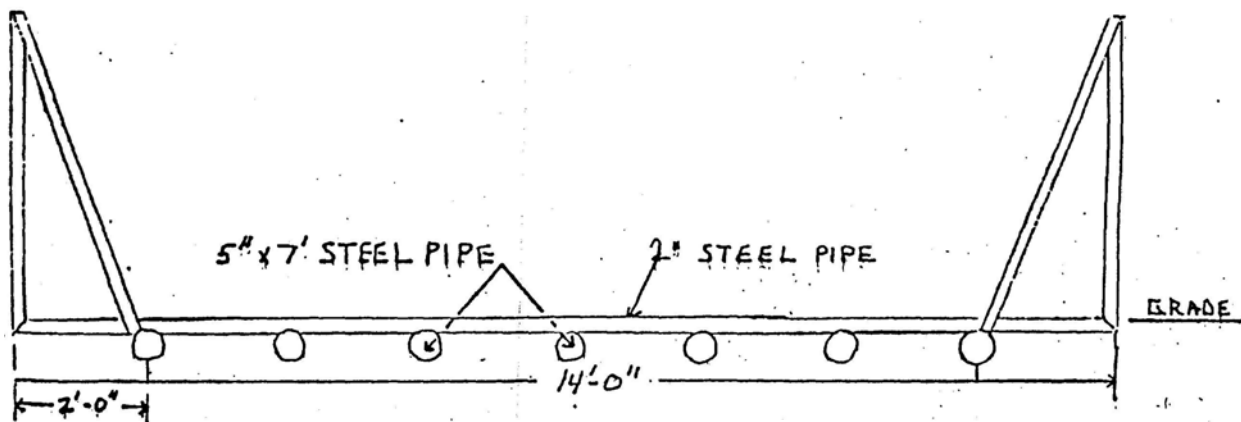
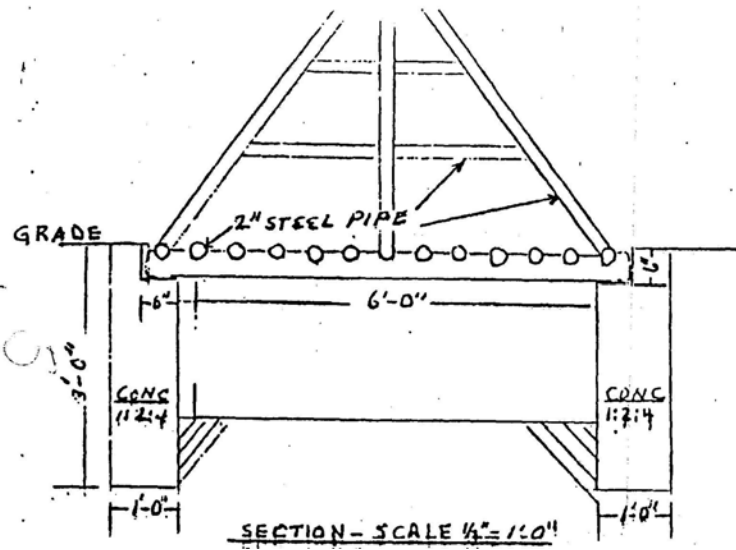
Filler – 2" Used

Fabrication – Cut 5" Stringers

1" to Receive 2" Filler Pipe –

5" O.C. SPACING

Electric Weld All Joints.



NO. DACW56-1-07-*****
DEPARTMENT OF THE ARMY LEASE
FOR AGRICULTURAL OR GRAZING PURPOSES
LOCATED ON
HULAH LAKE
CHAUTAUQUA COUNTY, KANSAS

THIS LEASE, made on behalf of the United States, between the **SECRETARY OF THE ARMY**, hereinafter referred to as the Secretary, and *,*; hereinafter referred to as the Lessee,

WITNESSETH:

That the Secretary, by authority of Title 10, United States Code, Section 2667, and for the consideration set forth herein, hereby leases to the Lessee the property hereinafter identified in Exhibit(s) *, attached hereto and made a part hereof, hereinafter referred to as the premises, for * purposes, and in accordance with the land use regulations identified in Exhibit(s) *, which is attached hereto and made a part hereof.

THIS LEASE is granted subject to the following conditions:

1. TERM

Said premises are hereby leased for a term of * (months)(years), beginning *, 19*, and ending *, *, [and may be renewed for an additional 5 years in accordance with condition 32], but revocable at will by the Secretary.

2. CONSIDERATION (Mike, Was reading yesterday and something wasn't reading right (see NOL previous and see difference) I had Pam to see if I was looking at it correctly. so I made those changes and also see the RED changes I did, if not we can take the "an annual" out and leave the "annually".....)

***a.** The Lessee shall pay rental in advance to the United States in the amount of * AND NO/100 DOLLARS (\$*), payable annually to the order of the Finance and Accounting Officer, USACE, and mailed or delivered to the USACE Finance Center, Tulsa District (M5), 5722 Integrity Drive, Millington, TN 38054-5005.

b. All rent and other payments due under the terms of this lease must be paid on or before the date they are due in order to avoid the mandatory sanctions imposed by the Debt Collection Act of 1982, (31 U.S.C. Section 3717). This statute requires the imposition of an interest charge for the late payment of debts owed to the United States; an administrative charge to cover the costs of processing and handling delinquent debts; and the assessment of an additional penalty charge on any portion of a debt that is more than 90 days past due. The provisions of the statute will be implemented as follows:

(1) The United States will impose an interest charge, the amount to be determined by

DRAFT INFORMATION PURPOSES ONLY

law or regulation, on late payment of rent. Interest will accrue from (the due date) (the later of the due date or the date notification of the amount due is mailed to the Lessee). An administrative charge to cover the cost of processing and handling each late payment will also be imposed.

(2) In addition to the charges set forth above, the United States will impose a penalty charge of six percent (6%) per annum on any payment or portion thereof, more than ninety (90) days past due. The penalty shall accrue from the date of delinquency and will continue to accrue until the debt is paid in full.

(3) All payments received will be applied first to any accumulated interest, administrative and penalty charges and then to any unpaid rental or other payment balance. Interest will not accrue on any administrative or late payment penalty charge.

3. NOTICES

All correspondence and notices to be given pursuant to this lease shall be addressed, if to the lessee, to *, and if to the United States, to the District Engineer, Attention: **Chief, Real Estate Division, 1645 S 101 East Ave, Tulsa, OK 74128-4608**, or as may from time to time otherwise be directed by the parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope, or wrapper, addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

4. AUTHORIZED REPRESENTATIVES

Except as otherwise specifically provided, any reference herein to "Secretary", "District Engineer", or "said officer", include their duly authorized representatives. Any reference to "Lessee" shall include any sub-Lessees, assignees, transferees, successors and their duly authorized representatives.

5. SUPERVISION BY THE INSTALLATION COMMANDER

The use and occupation of the premises shall be subject to the general supervision and approval of the Installation Commander, Fort Sill Military Reservation Army hereinafter referred to as said officer, and to such rules and regulations as may be prescribed from time to time by said officer.

6. APPLICABLE LAWS AND REGULATIONS

The Lessee shall comply with all applicable Federal, state, county and municipal laws, ordinances and regulations wherein the premises are located.

7. CONDITION OF PREMISES

The Lessee acknowledges that it has inspected the premises, knows its condition, and understands that the same is leased without any representation or warranties whatsoever and without obligation on the part of the United States to make any alterations, repairs or additions thereto.

8. TRANSFERS AND ASSIGNMENTS

Without prior written approval of the District Engineer, the Lessee shall neither transfer nor assign this lease, nor sublet the premises or any part thereof, nor grant any interest, privilege or license whatsoever in connection with this lease. Failure to comply with this condition shall constitute a noncompliance for which the lease may be revoked immediately by the District Engineer.

9. PROTECTION OF PROPERTY

The Lessee shall keep the premises in good order and in a clean, safe condition by and at the expense of the Lessee. The Lessee shall be responsible for any damage that may be caused to property of the United States by the activities of the Lessee under this lease, and shall exercise due diligence in the protection of all property located on the premises against fire or damage from any and all other causes. Any property of the United States damaged or destroyed by the Lessee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Lessee to a condition satisfactory to said officer, or at the election of said officer, reimbursement made therefore by the Lessee in an amount necessary to restore or replace the property to a condition satisfactory to said officer.

10. RENTAL ADJUSTMENT

In the event the United States revokes this lease or in any other manner materially reduces the leased area or materially affects its use by the Lessee prior to the expiration date, an equitable adjustment will be made in the rental paid or to be paid under this lease. Where the said premises are being used for farming purposes, the Lessee shall have the right to harvest, gather and remove such crops as may have been planted or grown on said premises, or the District Engineer may require the Lessee to vacate immediately and, if funds are available, compensation will be made to the Lessee for the value of the remaining crops. Any adjustment of rent or the right to harvest, gather and remove crops shall be evidenced by a written supplemental agreement, executed by the District Engineer; PROVIDED, however, that none of the provisions of this paragraph shall apply in the event of revocation because of noncompliance by the Lessee with any of the terms and conditions of this lease and in that event any remaining crops shall become property of the United States upon such revocation.

11. RIGHT TO ENTER AND FLOOD

a. The right is reserved to the United States, its officers, agents and employees to enter upon the premises at any time and for any purposes necessary or convenient in connection with government purposes; to make inspections; to remove timber or other materials, except property of the Lessee; to flood the premises; to manipulate the level of the lake or pool in any manner whatsoever, and/or to make any other use of the lands as may be necessary in connection with government purposes, and the Lessee shall have no claims for damages on account thereof against the United States or any officer, agent or employee thereof.

b. The Lessee expressly agrees to make no claim under flood insurance issued under any Federal Government program for loss to any property of the Lessee located on the premises which arises from or is incident to the flooding of the premises by the Government.

12. INDEMNITY

The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of the Lessee, or for damages to the property or injuries to the person of the Lessee's officers, agents or employees or others who may be on the premises at their invitation or the invitation of any one of them, and the Lessee shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

13. RESTORATION

On or before the expiration of this lease or its termination by the Lessee, the Lessee shall vacate the premises, remove the property of the Lessee and restore the premises to a condition satisfactory to said officer. If, however, this lease is revoked, the Lessee shall vacate the premises, remove said property and restore the premises to the aforesaid condition within such time as the said officer may designate or as otherwise specified by the provisions of the condition on **RENTAL ADJUSTMENT**. In either event, if the Lessee shall fail or neglect to remove said property and restore the premises, then, at the option of said officer, the property shall either become the property of the United States without compensation therefore, or the said officer may cause the property to be removed and no claim for damages against the United States or its officers or agents shall be created by or made on account of such removal and restoration work. The Lessee shall also pay the United States on demand any sum which may be expended by the United States after the expiration, revocation or termination of this lease in restoring the premises.

14. NON-DISCRIMINATION

The Lessee shall not discriminate against any person or persons or exclude them from participation in the Lessee's operations, programs or activities conducted on the leased premises, because of race, color, religion, sex, age, handicap or national origin.

15. SUBJECT TO EASEMENTS

This lease is subject to all existing easements, or those subsequently granted as well as established access routes for roadways and utilities located, or to be located, on the premises, provided that the proposed grant of any new easement or route will be coordinated with the Lessee, and easements will not be granted which will, in the opinion of the District Engineer, interfere with the use of the premises by the Lessee.

16. SUBJECT TO MINERAL INTERESTS

This lease is subject to all outstanding mineral interests. As to federally owned mineral interests, it is understood that they may be included in present or future mineral leases issued by the Bureau of Land Management (BLM) which has responsibility for mineral development of Federal lands. The Secretary will provide lease stipulations to BLM for inclusion in said mineral leases that are designed to protect the premises from activities that would interfere with the Lessees operations or would be contrary to local law.

17. TERMINATION

This lease may be terminated by the Lessee at any time by giving at least sixty (60) days notice thereof, in writing, to the District Engineer. In the case of such termination, no refund by the United States of any rental previously paid shall be made and payment in full of all rent becoming due during the period of notice will be required. In the event the effective date of termination occurs after the start of the grazing, planting or harvesting season as specified in the Land Use Regulations, any rent due for the balance of the annual term, or the rental due for the remaining term if the lease is for less than one year, shall be due and payable on or before the date of such termination. The lessee shall not be reimbursed for services performed in advance of the year in which termination occurs.

18. PROHIBITED USES

a. Certain soil conservation practices may be required by the land use regulations which are identified as rental offsets. By acceptance of such offsets, the Lessee agrees that he will not accept any Federal or State cost-sharing payments or subsidies for the same soil conservation practices.

b. The Lessee shall not construct or place any structure, improvement or advertising sign or allow or permit such construction or placement without prior written approval of the District Engineer.

19. PROTECTION OF NATURAL RESOURCES

The Lessee shall use the premises in accordance with the attached Land Use Regulations and shall at all times: (a) maintain the premises in good condition and free from weeds, brush, washes, gullies and other erosion which is detrimental to the value of the premises for agricultural purposes; (b) cut no timber, conduct no mining or drilling operations, remove no sand, gravel or kindred substances from the premises; (c) commit no waste of any kind nor in any manner substantially change the contour or condition of the premises except changes required to accomplish soil and water conservation measures as may be authorized

by said officer.

20. DISPUTES (To be added to once high responder is obtained)

21. ENVIRONMENTAL PROTECTION

a. Within the limits of their respective legal powers, the parties to this lease shall protect the premises against pollution of its air, ground and water. The Lessee shall comply with any laws, regulations, conditions or instructions affecting the activity hereby authorized if and when issued by the Environmental Protection Agency, or any Federal, state, interstate or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is specifically prohibited. Such regulations, conditions or instructions in effect or prescribed by the said Environmental Protection Agency, or any Federal, state, interstate or local governmental agency are hereby made a condition of this lease. The Lessee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

b. The Lessee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from activities of the Lessee, the Lessee shall be liable to restore the damaged resources.

c. The Lessee must obtain approval in writing from said officer before any pesticides or herbicides are applied to the premises.

22. ENVIRONMENTAL BASELINE SURVEY

An Environmental Baseline survey (EBS) documenting the known history of the property with regard to the storage, release or disposal of hazardous substances thereon, is attached hereto and made a part hereof as Exhibit C. Upon expiration, revocation or termination of this lease, another EBS shall be prepared which will document the environmental condition of the property at that time. A comparison of the two surveys will assist the District Engineer in determining any environmental restoration requirements. Any such requirements will be completed by the lessee in accordance with the condition on **RESTORATION**.

23. HISTORIC PRESERVATION

The Lessee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the premises, the Lessee shall immediately notify said officer and protect the site and the material from further disturbance until said officer gives clearance to proceed.

24. SOIL AND WATER CONSERVATION

The Lessee shall maintain, in a manner satisfactory to said officer, all soil and water conservation structures that may be in existence upon the premises at the beginning of or that may be constructed by the Lessee during the term of this lease, and the Lessee shall take appropriate measures to prevent or control soil erosion within the premises. Any soil

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erosion occurring outside the premises resulting from the activities of the Lessee shall be corrected by the Lessee as directed in writing by the District Engineer.

25. TAXES

Any and all taxes imposed by the state or its political subdivisions upon the property or interest of the Lessee in the premises shall be promptly paid by the Lessee. If and to the extent that the property owned by the Government is later made taxable by State or local governments under an Act of Congress, the lease shall be renegotiated.

26. COVENANT AGAINST CONTINGENT FEES

The Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fees, excepting bona fide employees or established commercial or selling agencies maintained by the Lessee for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to annul this lease without liability or, in its discretion, to require the Lessee to pay, in addition to the lease rental or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

27. OFFICIALS NOT TO BENEFIT

No member of or delegate to congress or resident commissioner shall be admitted to any share or part of this lease or to any benefits to arise therefrom. However, nothing herein contained shall be construed to extend to any incorporated company if this lease is for the general benefit of such corporation or company.

28. SEVERAL LESSEES

If more than one Lessee is named in this lease, the obligations of said Lessees herein named shall be joint and several obligations.

29. MODIFICATIONS

This lease contains the entire agreement between the parties hereto, and no modifications of this agreement, or waiver, or consent hereunder shall be valid unless the same be in writing, signed by the parties to be bound or by a duly authorized representative and this provision shall apply to this condition as well as other conditions of this lease.

30. DISCLAIMER

This lease is effective only insofar as the rights of the United States in the premises are concerned. The Lessee shall obtain any permit or license which may be required by Federal, state or local statute in connection with the use of the premises. It is understood that the granting of this lease does not preclude the necessity of obtaining a Department of the Army permit for activities which involve the discharge of dredge or fill material or the placement of fixed structures in the waters of the United States, pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (33 USC 403), and Section 404 of

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the Clean Waters Act (33 USC 1344).

31. HUNTING AND FISHING ENTRY

That the lessee will cooperate in programs for the management and improvement of fish and wildlife and in furtherance thereof the leased premises will be subject to free public use for fishing and hunting.

32. RIGHT OF RENEWAL WITHOUT COMPETITION

The United States may renew this lease by mutual agreement with the current lessee if the lease term stated above expressly authorizes renewal, the lessee's performance is satisfactory, and the value as determined by the United States Government is acceptable.

33. CEMETERY FENCES

That the lessee shall construct and maintain fences, enclosing all cemeteries or graves within the leased area, and shall permit ingress and egress thereto.

THIS LEASE is not subject to Title 10, United States Code, Section 2662, as amended.

IN WITNESS WHEREOF I have hereunto set my hand by direction of the Secretary of the Army this _____ day of _____, 20____.

Ida Lafayette
Chief, Management and Disposal Branch
Tulsa District, US Army Corps of Engineers

This lease is also executed by the lessee this _____ .
(DATE)

*, Lessee

**TULSA DISTRICT
CERCLA ENVIRONMENTAL BASELINE SURVEY (EBS)**

Project:

Title of Action:

Date of previous PAS/EBS, if any:

1. A comprehensive records search of the project office files, conducted by _____ on _____, indicated that storage, release, or disposal (as defined in 40 CFR Part 373) of hazardous material (as defined in 40 CER Part 302.4):

_____ has* _____ has not occurred on the property.

* Documentation supporting any positive findings are provided in the attached EBS Statement of Findings.

TULSA DISTRICT SECTION

2. A comprehensive records search of the SWT-OD-TR, or other district files, conducted by Michael Love on Feb 07, indicated that storage, release, or disposal (as defined in 40 CFR Part 373) of hazardous materials (as defined in 40 CFR Part 302.4):

_____ has* XX _____ has not occurred on the property.

* Documentation supporting all positive findings are provided in the attached EBS Statement of findings.

3. A comprehensive records search of the SWT-RE indicates that storage, release, or disposal (as defined in 40 CFR Part 373) of hazardous materials (as defined in 40 CFR Part 302.4)

_____ has * XX _____ has not occurred on the property .

* Documentation supporting all positive findings are provided in the attached EBS Statement of Findings.

4. Recommendations

XX Proceed with described transactions. Notification on a warranty covenant statements are not required in transaction documents.

___ Proceed with described transactions. Notification and warranty covenant statements are required in transaction documents as described in 42 USC 9620, 40 CFR 373.

___ Exclude property from consideration for described transactions.

GRANTEE

ACCEPTANCE: _____

DATE: _____

Approved by: _____
Chief, Real Estate Division Date